

Amendment No. 1 to HB1987

Fitzhugh  
Signature of Sponsor

**AMEND Senate Bill No. 2041\***

**House Bill No. 1987**

by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 9-13-202 is amended by deleting the existing section and substituting instead the following:

The general assembly finds and declares that it is in the best interests of the citizens of this state that local governments be fiscally responsible and utilize sound financial management principles in serving their citizens. The general assembly notes that there are certain conditions and circumstances in which local governments must have emergency technical and financial assistance if they are to better serve their citizenry or, in the case of economic distress due to natural disaster, must have the financially flexibility to stabilize their financial condition. It is the intent of this part to provide procedures whereby local governments may acquire such emergency technical and financial assistance provided and guaranteed by the state or, in the case of natural disaster, may obtain adequate financing, thus enabling such local governments to stabilize their financial condition and to meet their current operational and debt service costs.

SECTION 2. Tennessee Code Annotated, Section 9-13-203 is amended by deleting the existing subsection (4) and substituting instead the following:

(4) "Local government" means any incorporated city or town, metropolitan government, or county, including enterprise funds or such government entity, or utility district for purposes of sections 9-13-206 and 9-13-212.

SECTION 3. Tennessee Code Annotated, Section 9-13-206 is amended by deleting the existing section and substituting instead the following:

Notwithstanding the provisions of any other law to the contrary, the legislative body of any local government is hereby authorized to issue notes which may mature beyond the close of the fiscal year in which such notes are issued, when such notes either (1) are approved by the comptroller or his designee and guaranteed by the state funding board, or (2) approved by the comptroller or the his designee in the case of economic distress due to natural disaster certified by the federal emergency management agency (FEMA).

SECTION 4. Tennessee Code Annotated, Section 9-13-210 is amended by adding the following as a new first sentence:

The comptroller shall report to the state funding board at the next meeting of the state funding board following any approval of note issuance pursuant to section 9-13-206.

SECTION 5. Tennessee Code Annotated, Section 9-13-212 is amended by deleting the phrase “parts 1, 4, and 6” in the second sentence and substituting instead the phrase “parts 1, 4, 6, and 8”.

SECTION 6. This act shall take effect upon becoming law, the public welfare requiring it.